GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1389
ANSWERED ON:31.07.2001
FREIGHT CHARGES ON COAL BY RAILWAYS
UMMAREDDY VENKATESWARLU

Will the Minister of COAL be pleased to state:

(a) whether CIL has requested the Government to rationalise coal freight charges levied by the railways;

(b) whether CIL has explored any alternate means of transport to cut its losses;

(c) the details of economic freight charges on CIL to run profitably; and

(d) the manner in which the Government propose to ensure a fair deal of the coal sector?

Answer

THE MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) Yes, Sir.

(b)&(c) Coal is sold to consumers by CIL at pit-head. Choice of transportation of coal is the sole prerogative/responsibility of the consumer taking coal. There is no direct impact of rail freight on profitability of CIL. However, CIL coal becomes costlier to the consumers at longer distances from coalfields due to high rail freights. The higher rail freight also affects the competitiveness of CIL coal vis-Ã -vis imported coal.

(d) Ministry of Coal has written to Ministry of Railways on several occasions in the past to rationalise the rail freight structure, so as to improve the competitiveness of domestic coal.